


STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING						FORM 3 AMENDED REPORT <input type="checkbox"/>				
APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER RW 44-25AGR				
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT RED WASH				
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME RED WASH				
6. NAME OF OPERATOR QEP ENERGY COMPANY						7. OPERATOR PHONE 303 308-3068				
8. ADDRESS OF OPERATOR 11002 East 17500 South, Vernal, Ut, 84078						9. OPERATOR E-MAIL debbie.stanberry@qepres.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU0561			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>				
20. LOCATION OF WELL	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN			
LOCATION AT SURFACE	708 FSL 414 FEL		SESE	25	7.0 S	22.0 E	S			
Top of Uppermost Producing Zone	708 FSL 414 FEL		SESE	25	7.0 S	22.0 E	S			
At Total Depth	708 FSL 414 FEL		SESE	25	7.0 S	22.0 E	S			
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 414		23. NUMBER OF ACRES IN DRILLING UNIT 40					
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1556		26. PROPOSED DEPTH MD: 6274 TVD: 6274					
27. ELEVATION - GROUND LEVEL 5508			28. BOND NUMBER ESB000024		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-251/49-2153					
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	12.25	8.625	0 - 4059	32.0	Unknown	0.0	Halliburton Light , Type Unknown	567	2.89	11.0
							Halliburton Premium , Type Unknown	149	1.49	13.5
Prod	7.875	5.5	0 - 6274	17.0	N-80 LT&C	9.5	Halliburton Light , Type Unknown	281	2.95	11.0
							Halliburton Premium , Type Unknown	250	1.48	13.5
ATTACHMENTS										
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES										
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Jan Nelson					TITLE Permit Agent			PHONE 435 781-4331		
SIGNATURE					DATE 02/27/2013			EMAIL jan.nelson@qepres.com		
API NUMBER ASSIGNED 43047536480000					APPROVAL  Permit Manager					

QEP Energy Company

RW 44-25AGR

New Vertical Well

Summarized Procedure

1. MIRU.
2. Drill 12 1/4" surface hole to 200', then drill 11" to 4,059'.
3. Run 8 5/8", 32#, HCK-55, LTC casing and cement to surface.
4. NU rig's 3,000 WP rated BOP. Test BOP's and surface casing.
5. PU straight hole BHA, drill out surface casing and 10' of new formation, run FIT.
6. Drill 7 7/8" hole to 6,274'.
7. TOOH, MIRU Loggers.
8. Log from surface casing to TD.
9. RDMO Loggers.
10. TIH, Circulate.
11. TOOH & LDDP.
12. PU and run 5 1/2", 17.0#, N-80, LTC casing to TD, cement casing.
13. ND BOP's.
14. RDMOL.

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ONSHORE OIL & GAS ORDER NO. 1
 QEP Energy Company
 RW 44-25AGR

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Duchesne River	Surface
Green River	3,051'
Bird's Nest	3,491'
Mahogany Bench	4,009'
TD	6,274'

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	Green River	5,774'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # 49-251 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

ONSHORE OIL & GAS ORDER NO. 1
QEP Energy Company
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DRILLING PROGRAM

3. Operator's Specification for Pressure Control Equipment:

- A. A 3,000 psi double gate, 3,000 psi annular BOP (schematic included) from surface casing point to total depth.
- B. Functional test daily.
- C. All BOP connections subject to pressure shall be flanged, welded or clamped.
- D. Kill line (2" min), 2 choke line valves (3" min), choke line (3" min), 2 kill line valves (2" min) and a check valve, 2 chokes with one remotely controlled from rig floor and a pressure gauge on choke manifold.
- E. Upper and Lower Kelly cock valves with handles and safety valve and subs to fit all drill string connections.
- F. IBOP or float sub available.
- G. Fill up line must be installed above the uppermost preventer.
- H. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- I. Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

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4. Casing Design:

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.	MW
17-1/2"	14"	sfc	90'	Steel	Cond.	None	Used	Air
12-1/4" to 200'/11" to Surface TD	8-5/8"	sfc	4,059'	32.0	HCK-55	LTC	New	Air
7-7/8"	5-1/2"	sfc	6,274'	17.0	N-80	LTC	New	8-9.5 ppg

Casing Strengths:				Collapse	Burst	Tensile (min)
8-5/8"	32.0 lb.	HCK-55	LTC	3,740 psi	3,930 psi	452,000 lb.
5-1/2"	17.0 lb.	N-80	LTC	6,290 psi	7,740 psi	348,000 lb.

MINIMUM DESIGN FACTORS:

COLLAPSE: 1.125

BURST: 1.10

TENSION: 1.80

Area Fracture Gradient: 0.65 psi/foot

Maximum anticipated mud weight: 9.5 ppg

Maximum surface treating pressure: 4,000 psi

Over pull margin (minimum): 100,000 lbs

5. Cementing Program

14" Conductor:

Cement to surface with construction cement.

8-5/8" Surface Casing: sfc – 4,059' (MD)

Lead Slurry: 0' – 3,559'. 567 sks (1,639 cu ft) ECONOCEM V4 + 3.0 lb/sk Kol-Seal.

Slurry wt: 11.0 ppg, Slurry yield: 2.89 ft³/sk, Slurry volume: 12-1/4" to 200', 11" to Surface TD and hole + 75% excess.

Tail Slurry: 3,559' – 4,059'. 149 sks (222 cu ft) EXPANDACEM V3 + 0.2% HR-800 + 1.0 lb/sk Granulite TR 1/4 + 0.13 lb/sk Poly-E-Flake. Slurry wt: 13.5 ppg, Slurry yield: 1.49 ft³/sk, Slurry volume: 11" to TD and hole + 75% excess.

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DRILLING PROGRAM

5-1/2" Production Casing: sfc – 6,274' (MD)

Lead Slurry: 0' – 4,569'. 281 sks (830 cu ft) Extendacem cement + 3.0 lb/sk Kol-Seal. Slurry wt: 11.0 ppg, Slurry yield: 2.95 ft³/sk, Slurry volume: 7-7/8" hole + 25% excess in open hole section.

Tail Slurry: 4,569' – 6,274'. 250 sks (369 cu ft) BONDCEM V1 + 0.2% HR-5 + 3.0 b/sk Kol-Seal + 0.125 lb/sk Poly-E-Flake. Slurry wt: 13.5 ppg, Slurry yield: 1.48 ft³/sk, Slurry volume: 7-7/8" hole + 25% excess.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface on the production string. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

6. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
- F. Request for Variance

Possibility of drilling surface hole with air or aerated fluid:

A variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III Requirements, subsection E. Special Drilling Operations is requested for the specific operation of drilling and setting surface casing on the subject well with a truck mounted air rig. The variance from the following requirements of Order #2 is requested because surface casing depth for this well is 50' into the Mahogany Bench formation and high pressures are not expected.

1. **Properly lubricated and maintained rotating head** – A diverter system in place of a rotating head. The diverter system forces the air and cutting returns to the reserve pit and is used to drill the surface casing.
2. **Blooiie line discharge 100 feet from wellbore and securely anchored** – the blooiie line discharge for this operation will be located 50 to 70 feet from the wellhead. This reduced length is necessary due to the smaller location size to minimize surface disturbance.

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QEP Energy Company
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DRILLING PROGRAM

3. **Automatic igniter or continuous pilot light on blooie line** – a diffuser will be used rather than an automatic pilot/igniter. Water is injected into the compressed air and eliminates the need for a pilot light and the need for dust suppression equipment.
 4. **Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore** – compressors located within 50 feet on the opposite side of the wellbore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valves on the compressors, 3) spark arrestors on the motors.
 5. **Well Kill Fluid** – A suitable amount of water and weighting agents will be available in the reserve pit during air drilling operations to kill the well, if necessary. No overpressured zones are expected in the area.
 6. **Deflector on the end of the blooie line** – Questar will mount a deflector unit at the end of the blooie line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.
 7. **Flare Pit** – there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.
- G. All other operations and equipment for air/gas drilling shall meet specifications in Onshore Order #2, Section III Requirements, subsection E. Special Drilling Operations and Onshore Order #1.
- H. Drilling below the 8-5/8" casing will be done with water based mud. Maximum anticipated mud weight is 9.5 ppg.
- I. No minimum quantity of weight material will be required to be kept on location.
- J. Gas detector will be used from surface casing depth to TD.

Gas detector will be used from surface casing depth to TD.

7. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

ONSHORE OIL & GAS ORDER NO. 1
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DRILLING PROGRAM

- C. Logging – Mud logging –Surf Casing to TD
GR-SP-Induction, Neutron Density
- D. Formation and Completion Interval: Green River intervals, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

8. **Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards**

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 2,300 psi. Maximum anticipated bottom hole temperature is 120° F.

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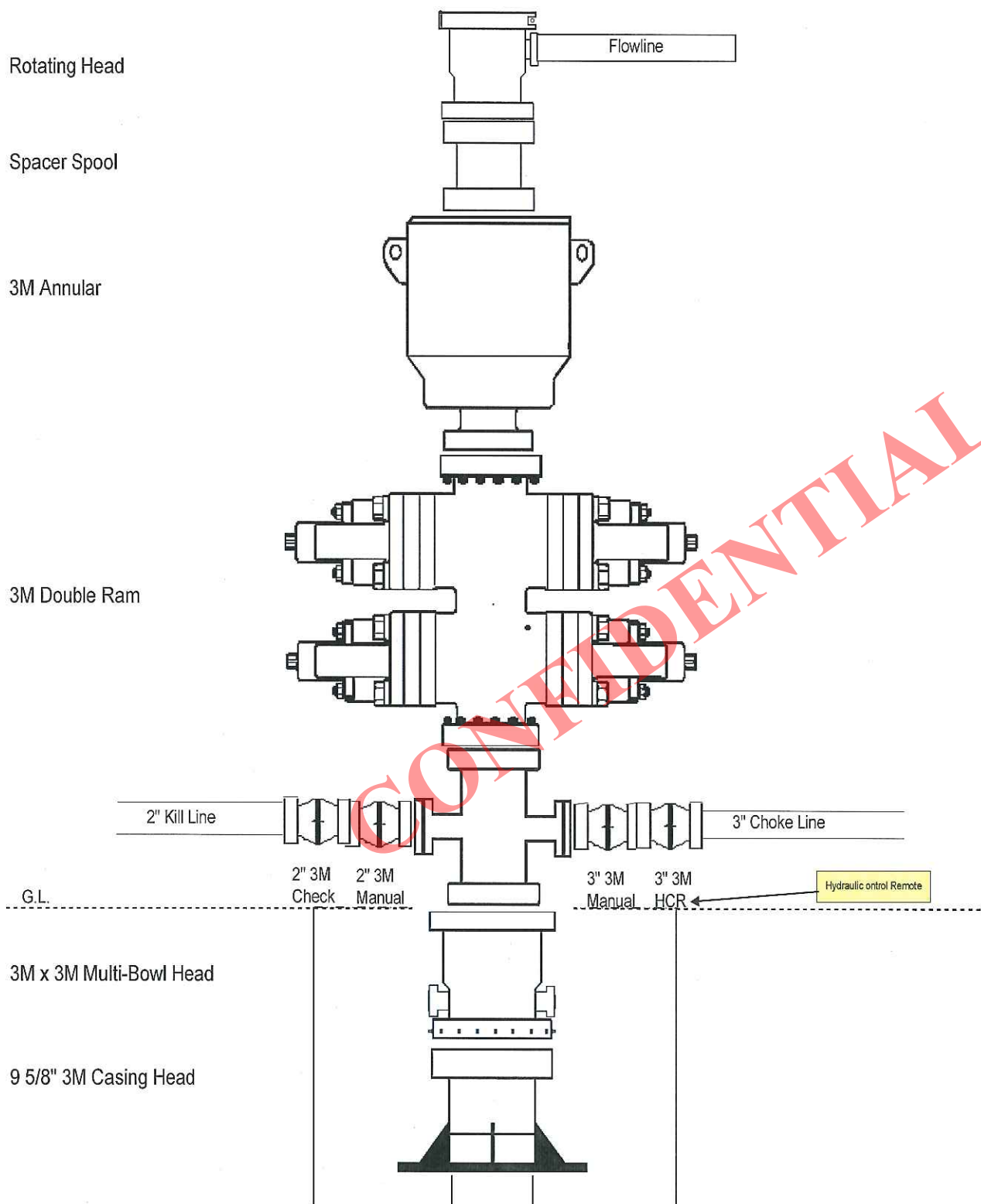
ONSHORE OIL & GAS ORDER NO. 1

QEP Energy Company

RW 44-25AGR

DRILLING PROGRAM

3M BOP STACK

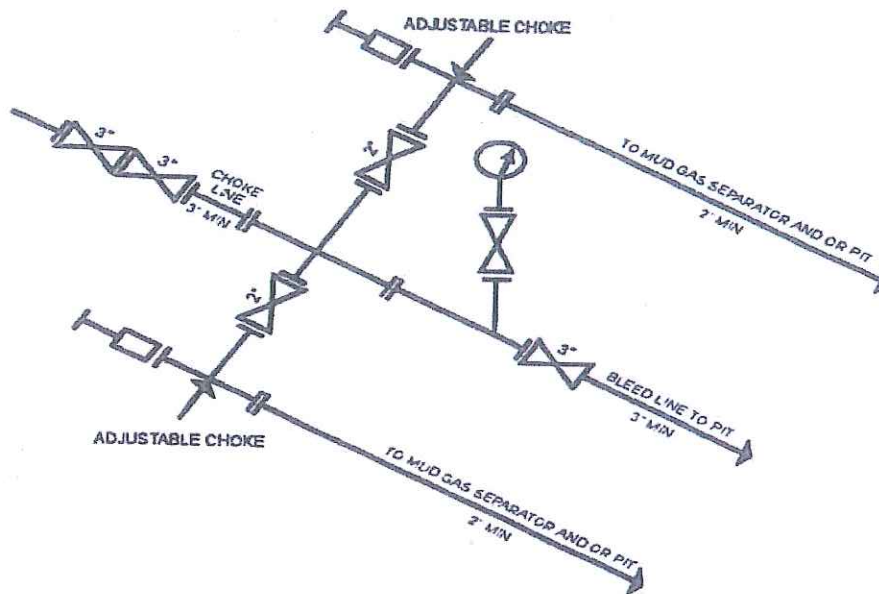


ONSHORE OIL & GAS ORDER NO. 1

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DRILLING PROGRAM



3M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY
[54 FR 39528, Sept. 27, 1989]

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Modified 02-26-2013 CRA

RW 44-25AGR

API # 43-047

Proposed WBD

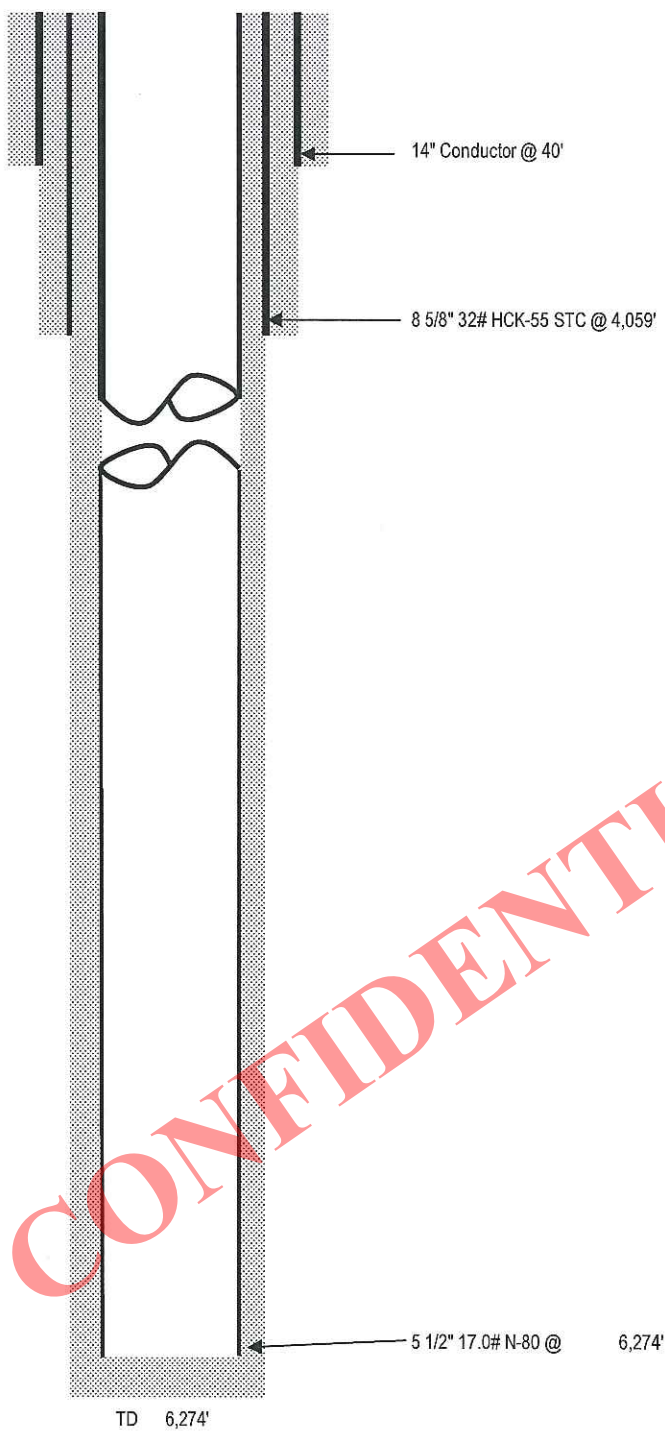
Uinta Basin

Sec. 25 T7S-R22E, Uintah Co, UT

LOCATION: 708' FSL, 414' FEL

KB 5,522'

GL 5,506'



T7S, R22E, S.L.B.&M.

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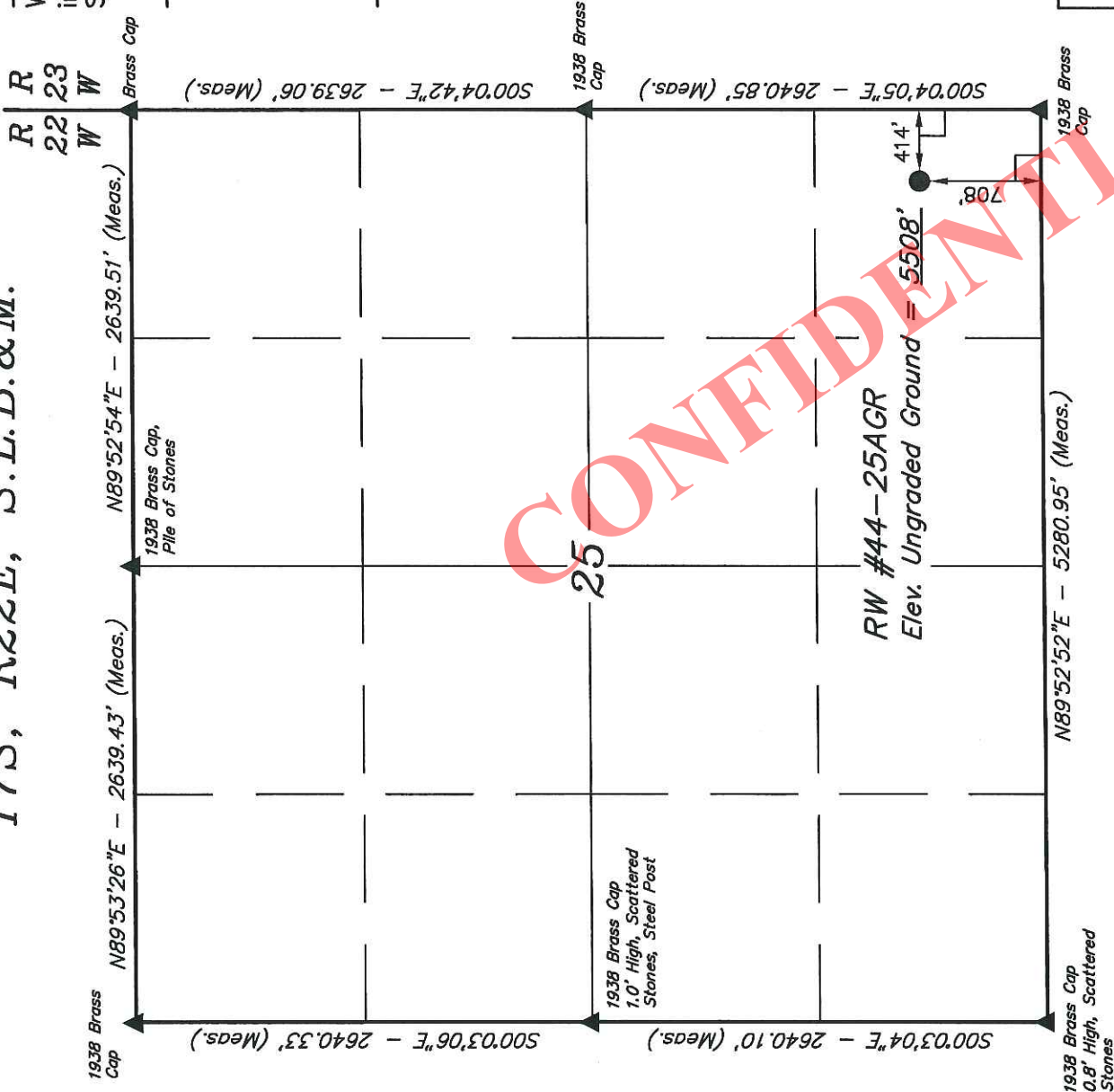
Well location, RW #44-25AGR, located as shown in the SE 1/4 SE 1/4 of Section 25, T7S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

06-21-12

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

— = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

NAD 83 (SURFACE LOCATION)

LATITUDE = 40°10'37.86" (40.177183)

LONGITUDE = 109°22'49.30" (109.380361)

NAD 27 (SURFACE LOCATION)

LATITUDE = 40°10'37.99" (40.177219)

LONGITUDE = 109°22'46.84" (109.379678)

SCALE
1" = 1000'

DATE SURVEYED:
06-01-12

DATE DRAWN:
06-15-12

PARTY

G.O. S.R. K.O.

REFERENCES
G.L.O. PLAT

WEATHER

WARM

FILE

QEP ENERGY COMPANY

QEP ENERGY COMPANY

RW #44-25AGR

LOCATED IN UINTAH COUNTY, UTAH
SECTION 25, T7S, R22E, S.L.B.&M.

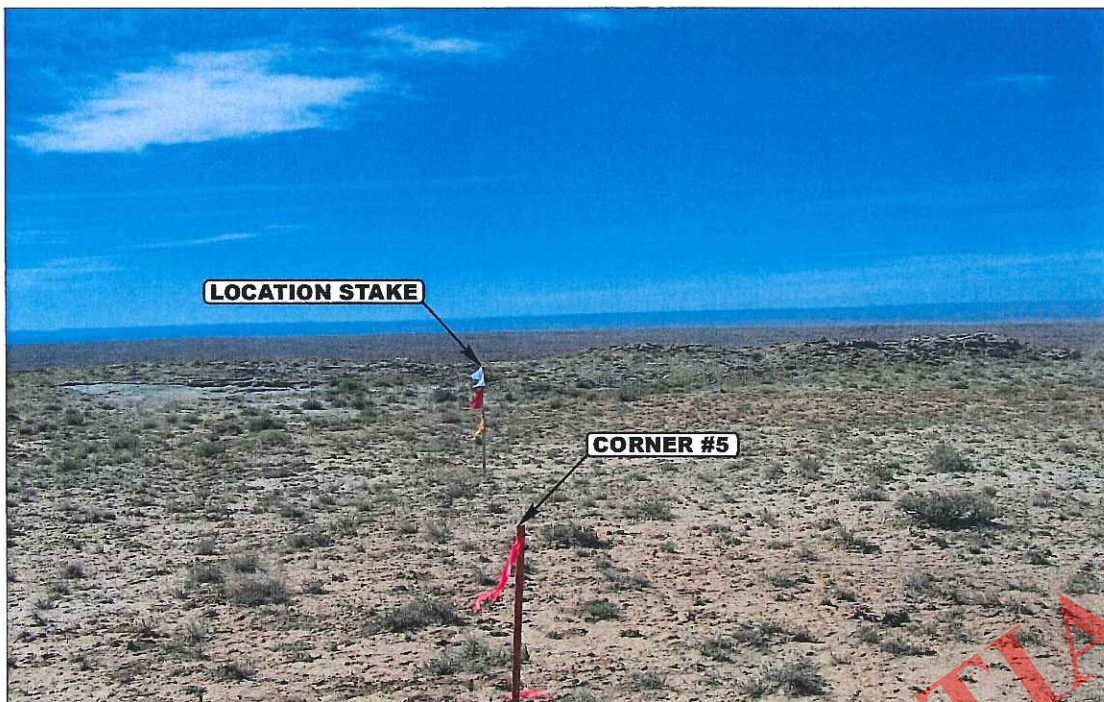


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
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LOCATION PHOTOS

06 19 12
MONTH DAY YEAR

PHOTO

TAKEN BY: GO.

DRAWN BY: A.T.

REVISED: 00-00-00

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LOCATION LAYOUT FOR

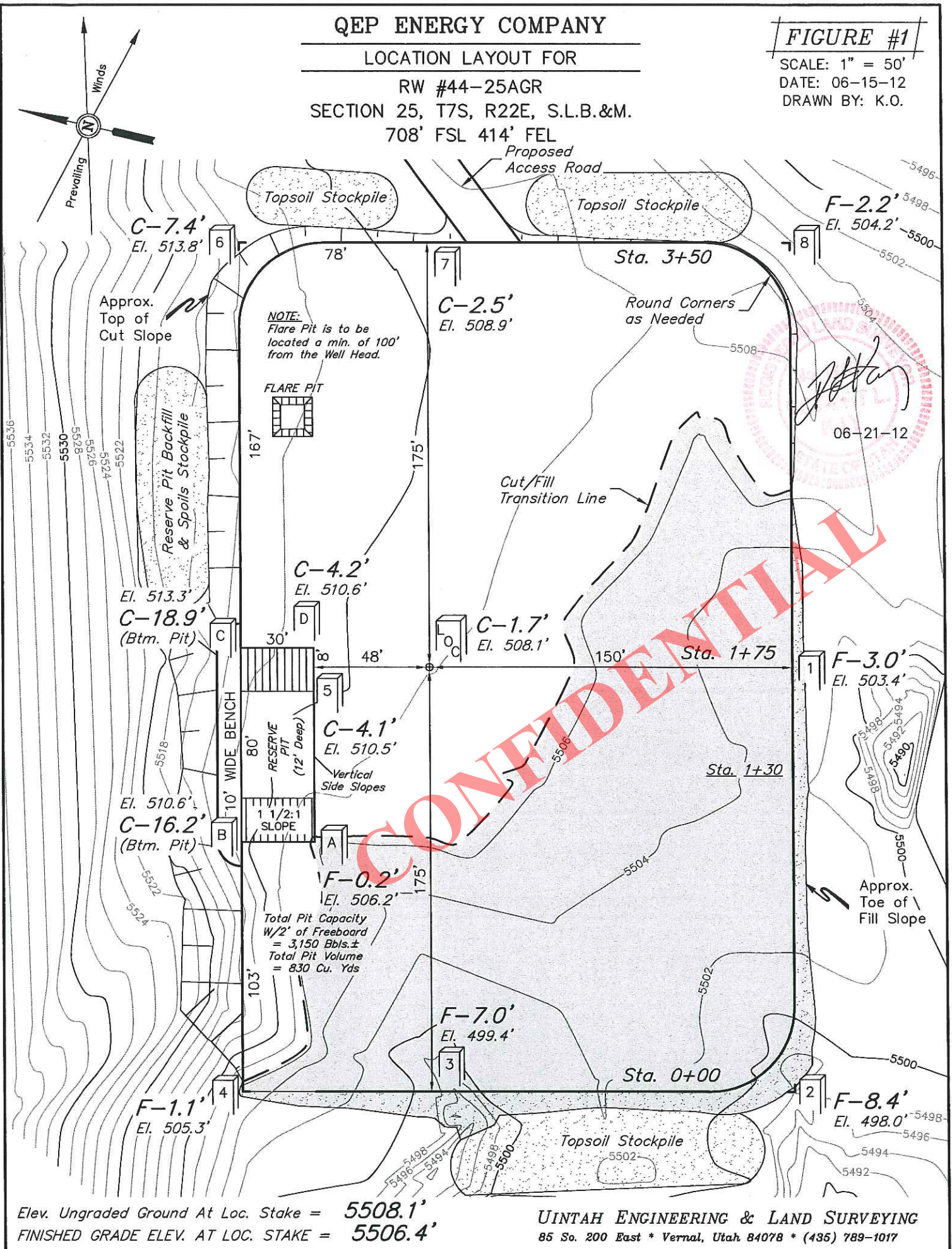
RW #44-25AGR
SECTION 25, T7S, R22E, S.L.B.&M.
708' FSL 414' FEL

FIGURE #1

SCALE: 1" = 50'

DATE: 06-15-12

DRAWN BY: K.O.



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TYPICAL CROSS SECTIONS FOR

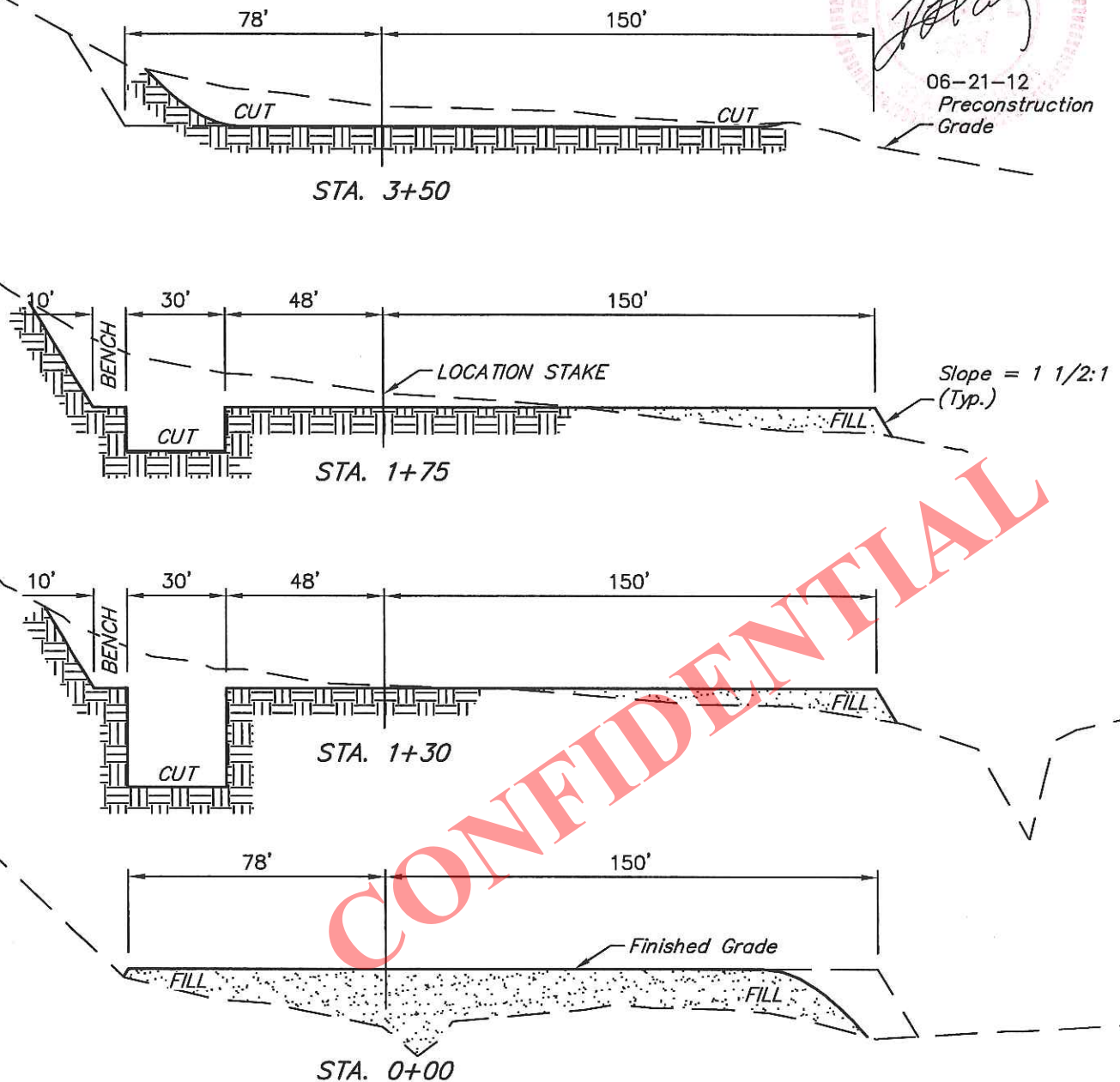
RW #44-25AGR

SECTION 25, T7S, R22E, S.L.B.&M.

708' FSL 414' FEL

FIGURE #2

1" = 20'
X-Section
Scale
1" = 50'
DATE: 06-15-12
DRAWN BY: K.O.



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 2.307 ACRES
ACCESS ROAD DISTURBANCE = ± 0.978 ACRES
PIPELINE DISTURBANCE = ± 3.138 ACRES
TOTAL = ± 6.423 ACRES

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,680 Cu. Yds.
Remaining Location = 5,340 Cu. Yds.
TOTAL CUT = 7,020 CU. YDS.
FILL = 4,920 CU. YDS.

EXCESS MATERIAL = 2,100 Cu. Yds.
Topsoil & Pit Backfill = 2,100 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

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TYPICAL RIG LAYOUT FOR

RW #44-25AGR

SECTION 25, T7S, R22E, S.L.B.&M.

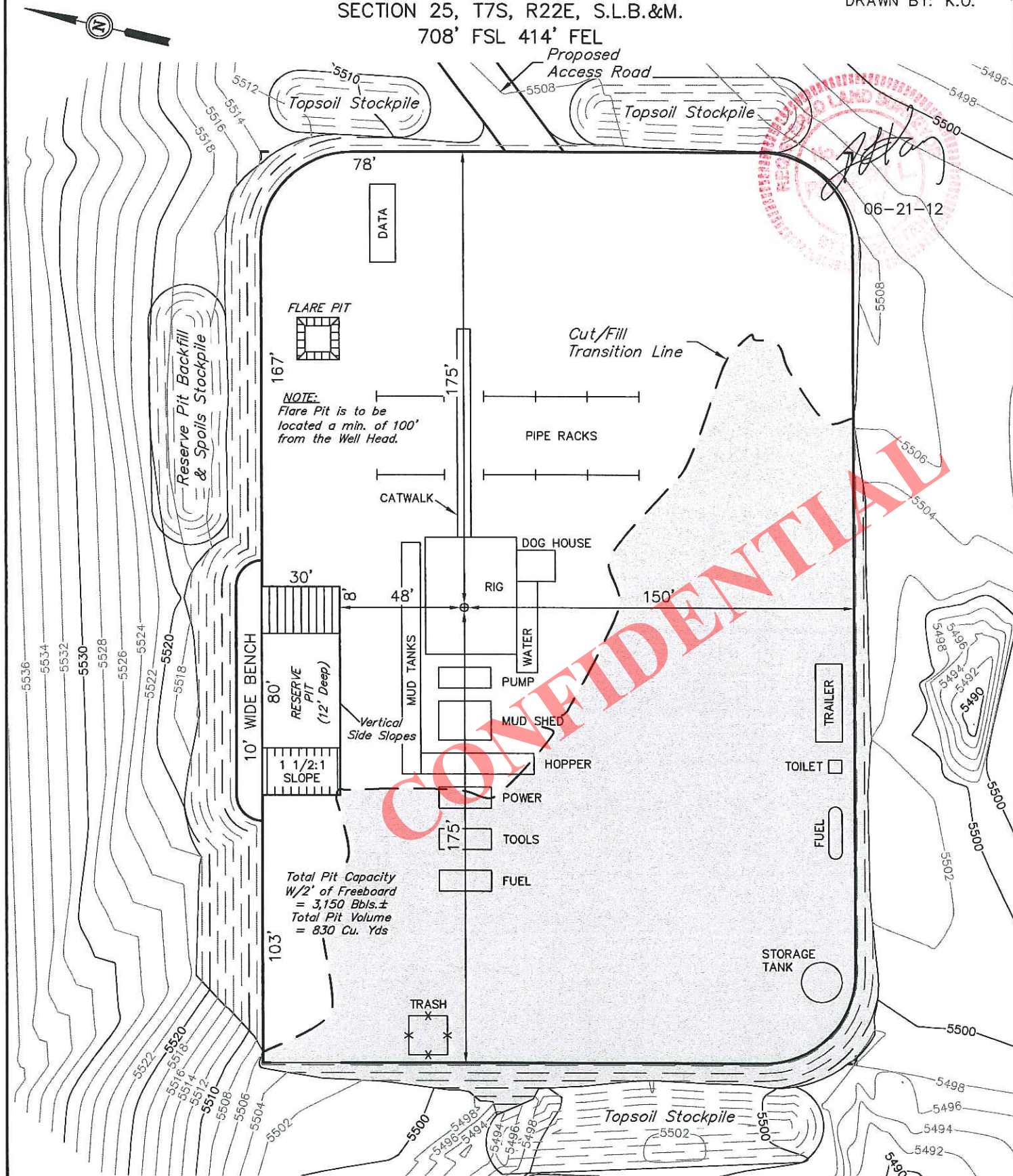
708' FSL 414' FEL

FIGURE #3

SCALE: 1" = 50'

DATE: 06-15-12

DRAWN BY: K.O.



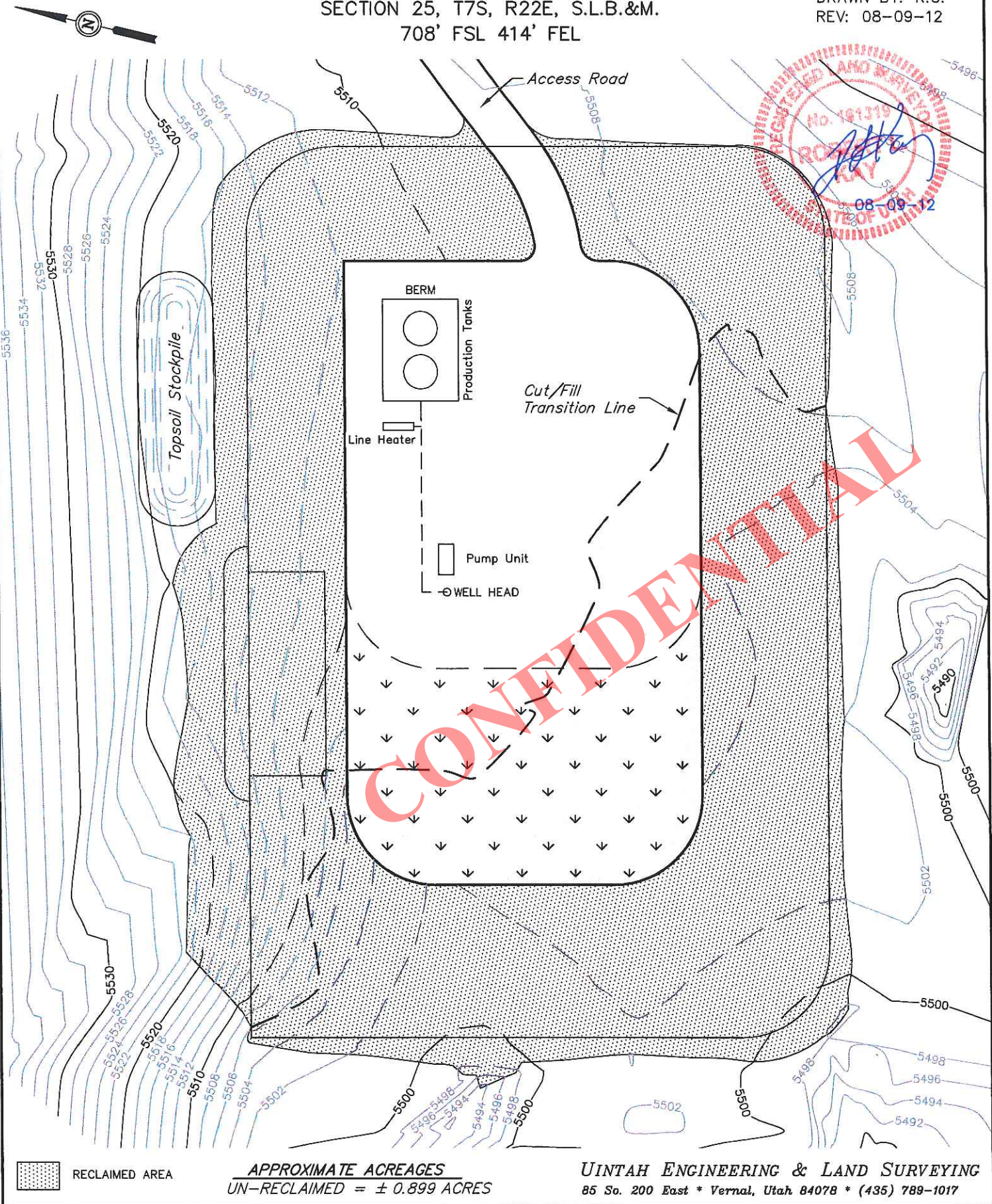
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QEP ENERGY COMPANY
PRODUCTION FACILITY LAYOUT FOR
RW #44-25AGR
SECTION 25, T7S, R22E, S.L.B.&M.
708' FSL 414' FEL

FIGURE #4

SCALE: 1" = 50'
 DATE: 06-15-12
 DRAWN BY: K.O.
 REV: 08-09-12

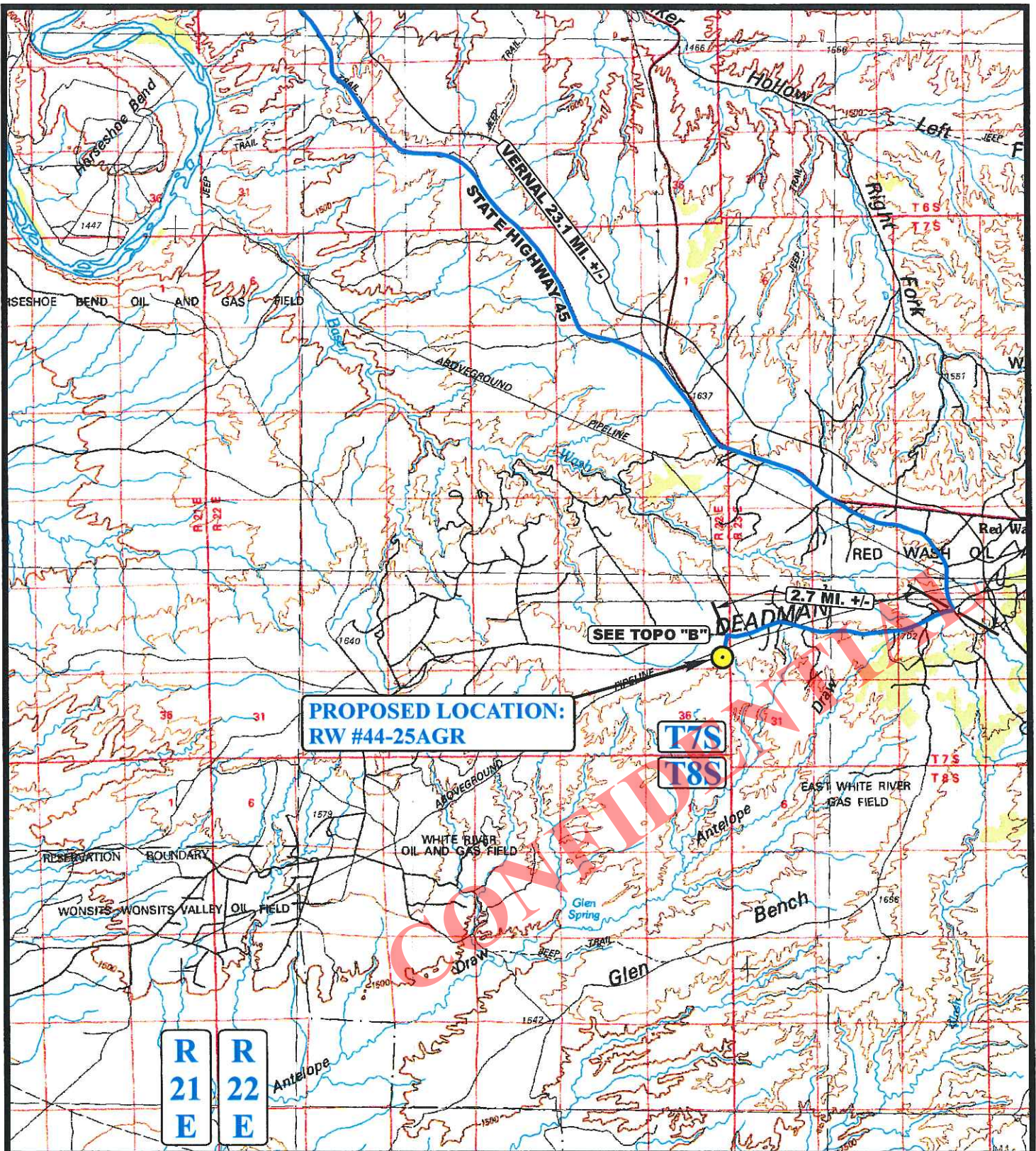


QEP ENERGY COMPANY
RW #44-25AGR
SECTION 25, T7S, R22E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 19.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1,420' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 26.1 MILES.

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LEGEND:

PROPOSED LOCATION

QEP ENERGY COMPANY

RW #44-25AGR
SECTION 25, T7S, R22E, S.L.B.&M.
708' FSL 414' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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ACCESS ROAD
MAP

06 19 12
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: A.T. REVISED: 00-00-00



 EXISTING ROAD
 PROPOSED ACCESS ROAD



**RW #44-25AGR
SECTION 25, T7S, R22E, S.L.B.&M.
708' FSL 414' FEL**

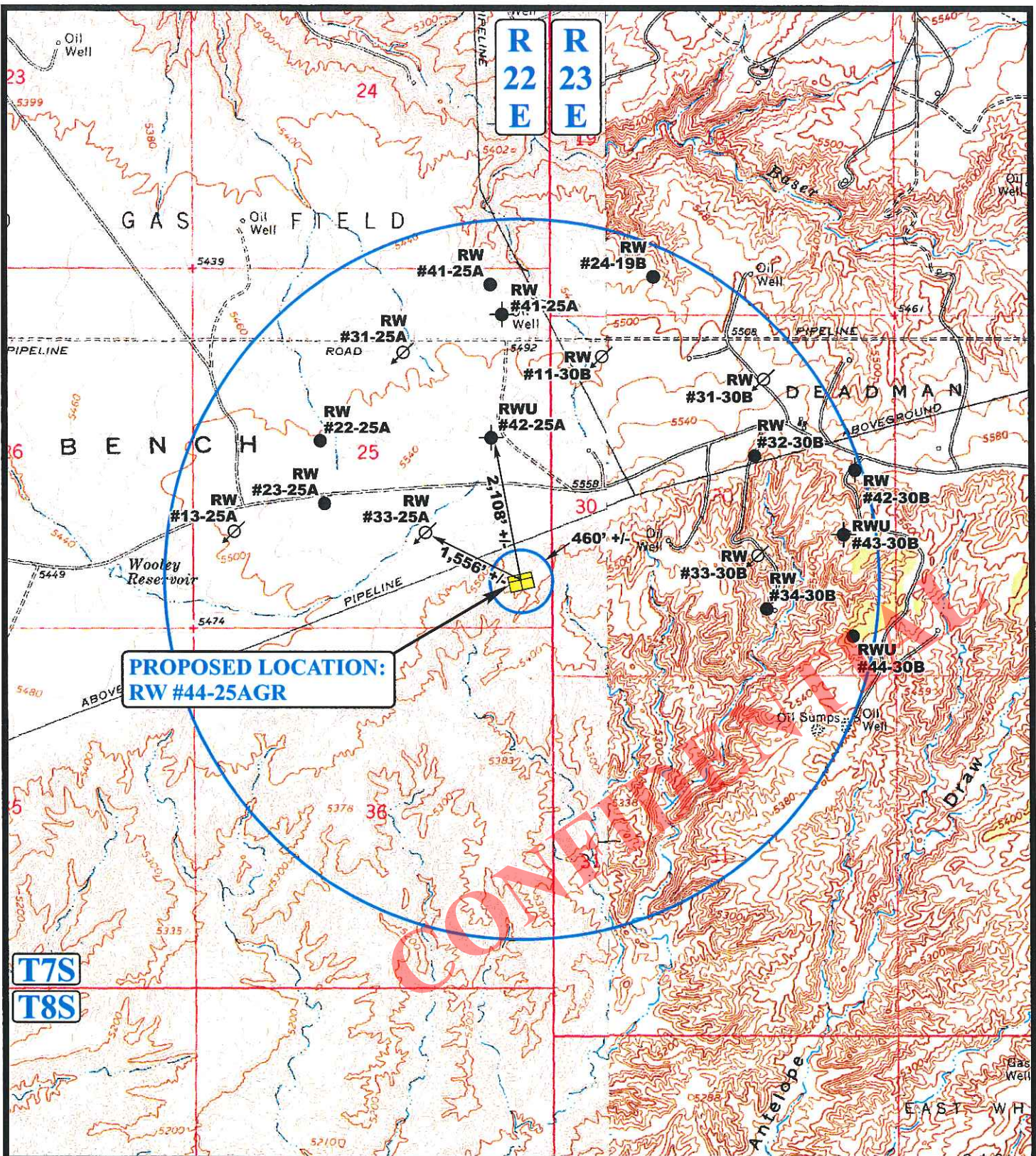


ACCESS ROAD MAP

06 19 12
MONTH DAY YEAR

SCALE: 1" = 2000'	DRAWN BY: A.T.	REVISED: 00-00-00
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В
ТОРО



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



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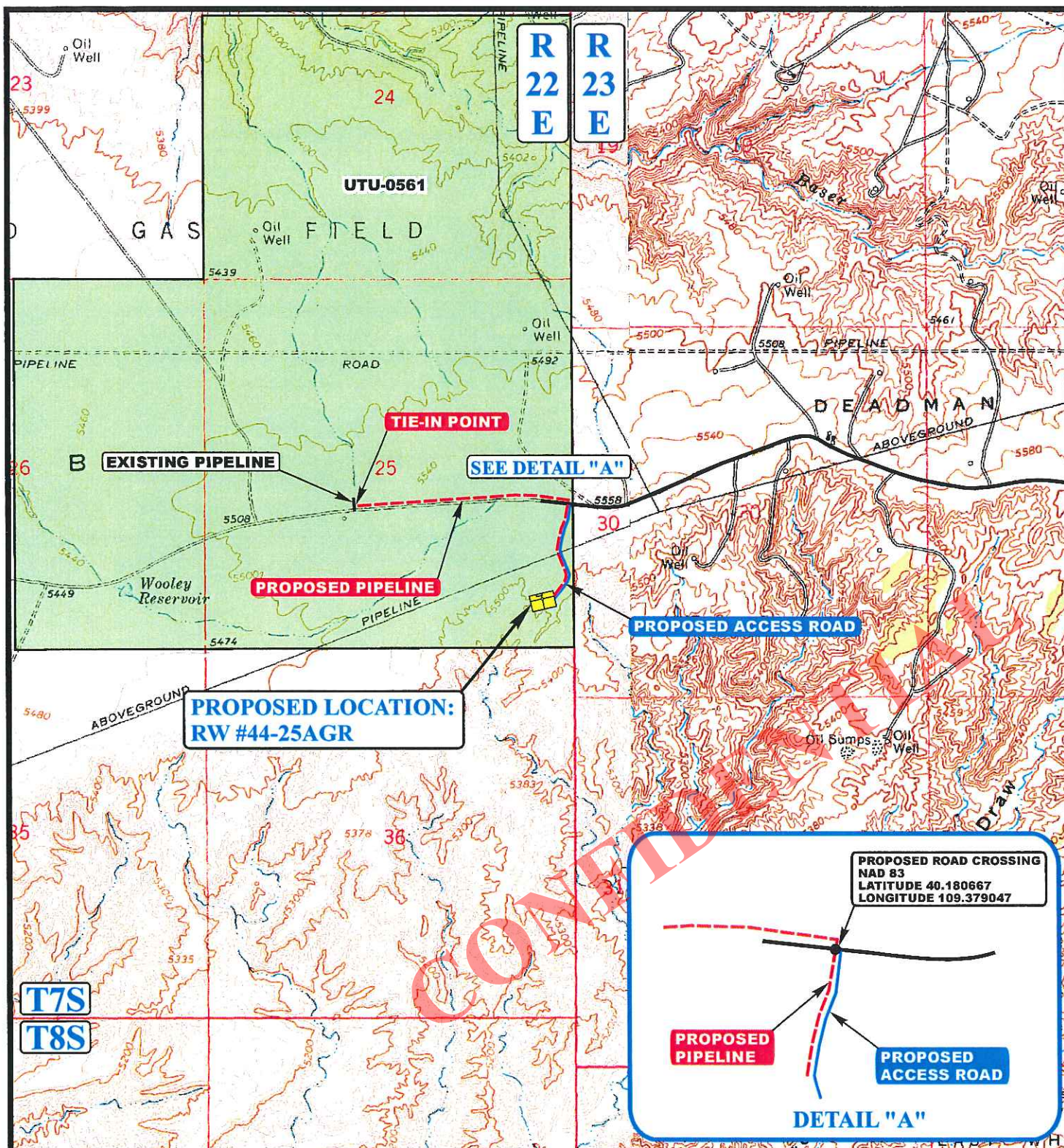


TOPOGRAPHIC
MAP

06 19 12
MONTH DAY YEAR

SCALE: 1" = 2000' **DRAWN BY: A.T.** **REVISED: 00-00-00**





APPROXIMATE TOTAL PIPELINE DISTANCE = 4,556' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - PROPOSED PIPELINE
- - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)



QEP ENERGY COMPANY

RW #44-25AGR
SECTION 25, T7S, R22E, S.L.B.&M.
708' FSL 414' FEL



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 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

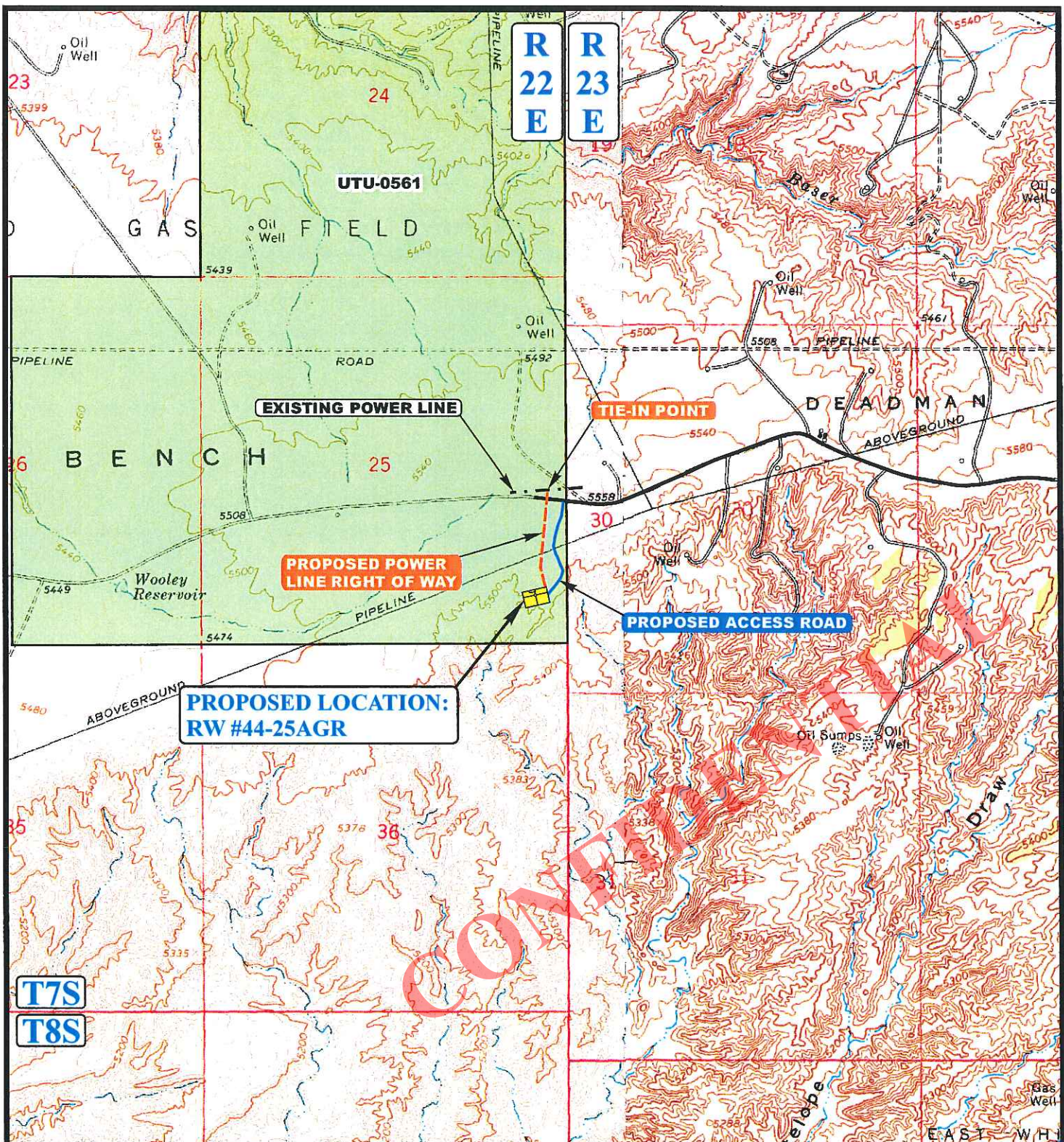
06 **19** **12**
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: A.T.

REVISED: 00-00-00





APPROXIMATE TOTAL POWER LINE DISTANCE = 1,425' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - - PROPOSED POWER LINE
- - - - - EXISTING POWER LINE



QEP ENERGY COMPANY

RW #44-25AGR
SECTION 25, T7S, R22E, S.L.B.&M.
708' FSL 414' FEL

U&LS **Uintah Engineering & Land Surveying**
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **06 19 12**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: A.T. REVISED: 00-00-00

1
TOPO

QEP ENERGY COMPANY

REFERENCE MAP: AREA OF VEGETATION

RW #44-25AGR

LOCATED IN UINTAH COUNTY, UTAH
SECTION 25, T7S, R22E, S.L.B.&M.

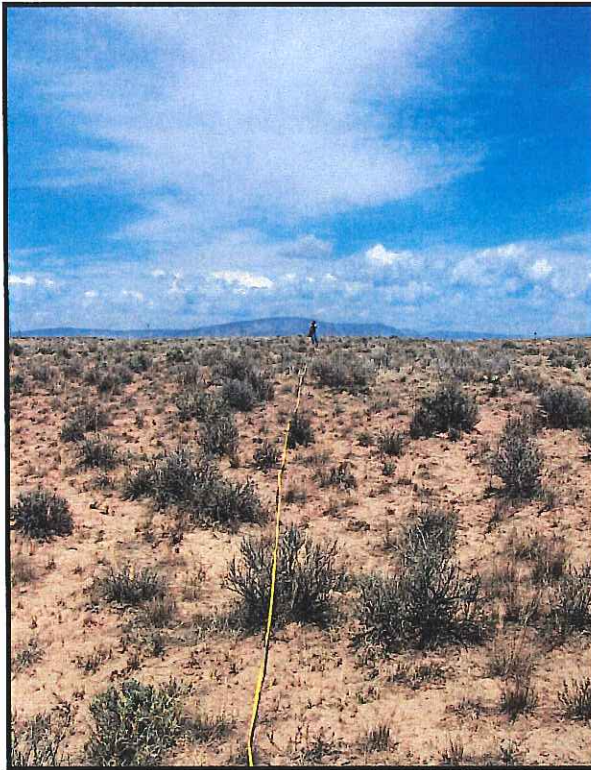


PHOTO: VIEW FROM BEGINNING OF REFERENCE AREA

NOTE:

BEGINNING OF REFERENCE AREA

NAD 83 Z12 UTM NORTHING: 14595820.972

NAD 83 Z12 UTM EASTING: 2092871.533

(NAD 83) LATITUDE: 40.178392

(NAD 83) LONGITUDE: -109.380197

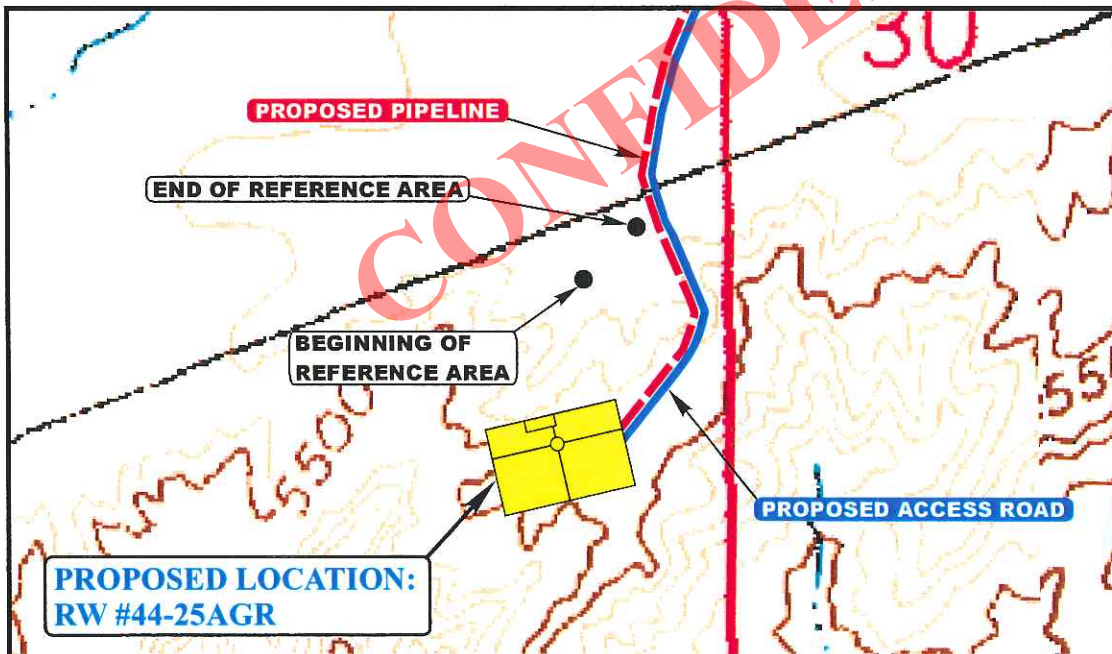
END OF REFERENCE AREA

NAD 83 Z12 UTM NORTHING: 14595965.188

NAD 83 Z12 UTM EASTING: 2093010.946

(NAD 83) LATITUDE: 40.178781

(NAD 83) LONGITUDE: -109.379689



- Since 1964 -

**U
E
L
S**

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

SCALE: 1" = 500'

08 **06** **12**
MONTH DAY YEAR

TAKEN BY: G.S.

DRAWN BY: C.I.

REVISED: 00-00-00

REF.

**QEP ENERGY COMPANY
RW 44-25AGR
SESE, SECTION 25, T7S, R22E
UINTAH COUNTY, UT
LEASE # UTU-0561**

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the RW 44-25AGR on August 1, 2012. Weather conditions were hot at the time of the onsite. In attendance at the inspection were the following individuals:

Kevin Sadlier	Bureau of Land Management
Valyn Davis	QEP Energy Company
Stephanie Tomkinson	QEP Energy Company
Jeff Atwood	QEP Energy Company
Eric Wickersham	QEP Energy Company
Gary Streeter	Uintah Engineering & Land Surveying

1. Existing Roads:

See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

The proposed well site is located approximately 26 miles south of Vernal, Utah.

-See attached TOPO Map "A".

Existing roads will be upgraded, maintained and repaired as necessary.

2. Planned Access Roads:

An offlease right-of-way is not required. The entire well pad and access road are located within the Red Wash Unit.

There will be a new access road approximately 1,420' in length, 30' in width, containing approximately 0.978 acres.

New access roads on BLM surface will be crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Any additional disturbance required due to intersections or sharp curves will be discussed at the on-site and approved by the BLM.

Graveling or capping the roadbed will be performed as necessary to provide a well constructed safe road. Surface disturbance and vehicular traffic will be limited to the approved location and access route or, as proposed by the Operator.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards.

If culverts are needed, the location and size of the culverts will be proposed during the on-site. The operator will clean and maintain approved culverts as needed.

All drainage ditches and culverts will be kept clear and free-flowing and will be maintained according to original construction standards.

The access road disturbed area will be kept free of trash during operations. All traffic will be confined to the approved road running surface. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause excess siltation or accumulation of debris in the drainage nor shall the drainage be blocked by the roadbed.

Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, the holes shall be filled in and detours around the holes avoided.

When snow is removed from the road during the winter months, the snow should be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

Refer to Topo Map B for the location of the proposed access

3. **Location of Existing Wells Within a 1-Mile Radius:**

A map will be provided with the site-specific APD showing the location of existing wells within a one mile radius.

Please refer to Topo map C.

4. **Location of Existing and Proposed Facilities:**

The following guidelines will apply if the well is productive.

A containment dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The specific APD will address additional capacity if such is needed due to environmental concerns. The use of topsoil for the construction of dikes will not be allowed.

All loading lines will be placed inside the berm surrounding the tank batteries.

All permanent (on site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a color approved by the BLM.

It was determined on the onsite by the BLM VFO/AO that the facilities will be painted Covert Green.

5. Power line

Electrification of the well sites will reduce the emissions and increase reliability by removing the gas venting of pumps for the heat trace system and chemical injection, as well as increase well pad safety by adding lights to the location.

Access into the proposed power lines will be from existing highways and roads. All construction and vehicular traffic will be confined to the authorized access corridor and designated county and/or BLM roads unless otherwise authorized and approved by the regulating agency

All work will be done in accordance with REA specifications.

QEP Energy Company is proposing a 50 ft temporary authorized access and a 15 ft permanent authorized access for power line maintenance. Minimal to no disturbance is required for the power lines following roads and existing ROW's.

The proposed power line will be 1,425' in length, 15 ft in width, containing 0.491 acres.

6. Location and Type of Water Supply:

Fresh water will be obtained from Wonsits Valley water right # 49-251 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes.

7. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

8. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility within 6 months after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Unless specified in the site specific APD, the reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

It was determined at the on-site inspection that a pit liner is necessary; the reserve pit will be lined with a synthetic reinforced liner, a minimum of 20 millimeters thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap will be disposed of in the pit.

Reserve pit leaks are considered an undesirable event and will be orally reported to the AO.

Disposal of Produced Water:

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order # 7, all produced water will be contained in tanks on location.

After the 90 day period, the produced water will be contained in tanks on location and then hauled by truck to the following pre-approved disposal site:

Red Wash Disposal well located in the SESE, Section 28, T7S, R23E,
West End Disposal located in the NESE, Section 28, T7S, R22E.

Produced water, oil, and other byproducts will not be applied to roads or well pads for control of dust or weeds. The dumping of produced fluids on roads, well sites, or other areas will not be allowed.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site. The spills will be reported to the AO and other authorities as appropriate.

A chemical porta-toilet will be furnished with the drilling rig. The chemical porta-toilet wastes will be hauled to Ashley Valley Sewer and Water System for disposal.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. Trash will not be burned on location. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig. All trash and waste material will be hauled to the Uintah County Landfill.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or

completing of wells. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within these areas. Specific APD's shall address any modifications from this policy.

9. Ancillary Facilities:

This will be an independent well location. Product will be contained in two 500 bbl tanks and then transported from location to delivery site.

A suitable muffler will be installed on pumping unit to help reduce noise control.

The pipeline will be steel, welded schedule #40 or greater, and consist of one (1) 3" inside diameter oil line and two (2) 1 1/4" inside diameter trace lines. The pipelines will be welded together on location and pulled separately into place. The lines will be banded together in one (1) bundle, insulated, and covered with tin painted Covert Green. The pipeline will be laid within 20 feet of existing roads, pipelines, or existing route authorizations as much as possible. Pipeline route alternatives will be discussed at the on-site and the resulting proposal will be described in the APD. Road crossings will have a casing installed over the pipeline and ramped so the pipeline will not be buried. Pipeline Route Authorizations will be 30' wide and the location noted on maps accompanying the APD.

FUEL GAS LINE: The pipeline will be a 2" inside diameter, poly pipe with a rating of 160 psi or greater. The line will be laid adjacent to the bundled line following the line to location.

The pipeline will be 4,556' in length, 30' in width, containing approximately 3.138 acres.

10. Well Site Layout:

A Location Layout Diagram describing drill pad cross-sections, cuts and fills, and locations of mud tanks, reserve pits, flare pit or flare box, pipe racks, trailer parking, spoil dirt stockpile(s), and the surface material stockpile(s) will be included with the site specific APD.

Please see the attached diagram rig orientation, parking areas, and access roads, as well as the location of the following:

The reserve pit.

The stockpiled topsoil will not be used for facility berms. All brush removed from the well pad during construction will be stockpiled with the topsoil.

The flare pit or flare box will be located downwind from the prevailing wind direction.

Any drainage that crosses the well location will be diverted around the location by using ditches, water diversion drains or berms. If deemed necessary at the on-site, erosion drains may be installed to contain sediments that could be produced from access roads and well locations.

11. Fencing Requirements:

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched using a stretching device before it is attached to corner posts.

The reserve pit will be fenced on three (3) sides during drilling operations. The fourth side will be put in place when the rig moves off location. The pit will be fenced and maintained until it is backfilled. If drilling operations does not commence within 3 days, the fourth side of the fence will be installed.

12. Reclamation Plan:

Reclamation will follow QEP Energy Company, Uinta Basin Division's Reclamation Plan, September 2009 (QEP Energy Plan) and the BLM Green River District Reclamation Guidelines.

All trash and debris will be removed from the disturbed area.

The disturbed area will be backfilled with subsoil.

Topsoil will be spread to an even, appropriate depth and disced if needed.

Water courses and drainages will be restored.

Erosion control devices will be installed where needed.

Seeding will be done in the fall, prior to ground freeze up.

Seed mix will be submitted to a BLM AO for approval prior to seeding.

Monitoring and reporting will be conducted as stated in QEP Energy Company's Reclamation Plan. Weed control will be conducted as stated in QEP Energy Company's Reclamation Plan.

A reference site and weed data sheet have been established and are included in this application.

Please see attached Weed Data Sheet.

Dry Hole/Abandoned Location:

On lands administered by the BLM abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions may include the reestablishment of irrigation systems; reestablishment of appropriate soil conditions; and, the reestablishment of vegetation as specified.

All disturbed surfaces will be recontoured to approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment.

At final abandonment, the Operator will cap the casing with a metal plate a minimum of 0.25 inch thick. The cap will be welded in place and the well location and identity will be permanently inscribed on the cap. The cap will be constructed with a weep hole. The depth of the permanent cap will be determined at the time of final abandonment. Long-term reclamation will then be applied and will follow the reclamation process described in this plan. When reclamation is deemed successful by the Operator and the BLM, the Operator will request a bond release.

13. Surface Ownership:

The well pad and access road are located on lands owned by:

Bureau of Land Management
170 South 500 East
Vernal, UT 84078

14. Other Information:

Drilling rigs and/or equipment used during drilling operations will not be stacked or stored on Federal lands or State administered lands after the conclusion of drilling operations or at any other time without authorization by the BLM Authorized Officer. If BLM authorization is obtained, such storage is only a temporary measure.

A Class III archeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted on September 5, 2012, **State of Utah Antiquities Report U-12-MQ-0621b** by Montgomery Archaeology Consultants. Cultural resource clearance has been recommended for this project.

A paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted on September 10, 2011, **Report No. IPC 12-111** by Stephen D. Sandau. Due to the number of fossils found during this survey, it is recommended that a permitted paleontologist be present to monitor the construction process of the well pad, access road, pipeline and power line. QEP Energy Company will provide paleo monitor for this project.

A habitat assessment and inventory was conducted in August 2012 by Bowen Collins & Associates. No horseshoe milkvetch populations or individuals were located during the surveys within the proposed RW 44-25AGR, 300' buffer zone or adjacent habitat. This proposed action would not impact any BLM sensitive species at this time.

Per the onsite meeting on August 1, 2012, the following items were requested/discussed.

There is 4" topsoil.

There is a Burrowing Owl Stipulation from March 1 to August 31. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

Lessee's or Operator's Representative & Certification:

Jan Nelson
Permit Agent
QEP Energy Company
11002 East 17500 South
Vernal, UT 84078
(435) 781-4331

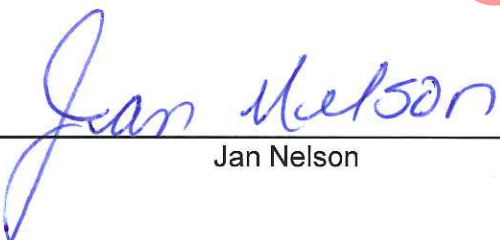
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

QEP Energy Company is considered to be the operator of the subject well.
QEP Energy Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104.2 for lease activities is being provided by
Bond No. ESB000024

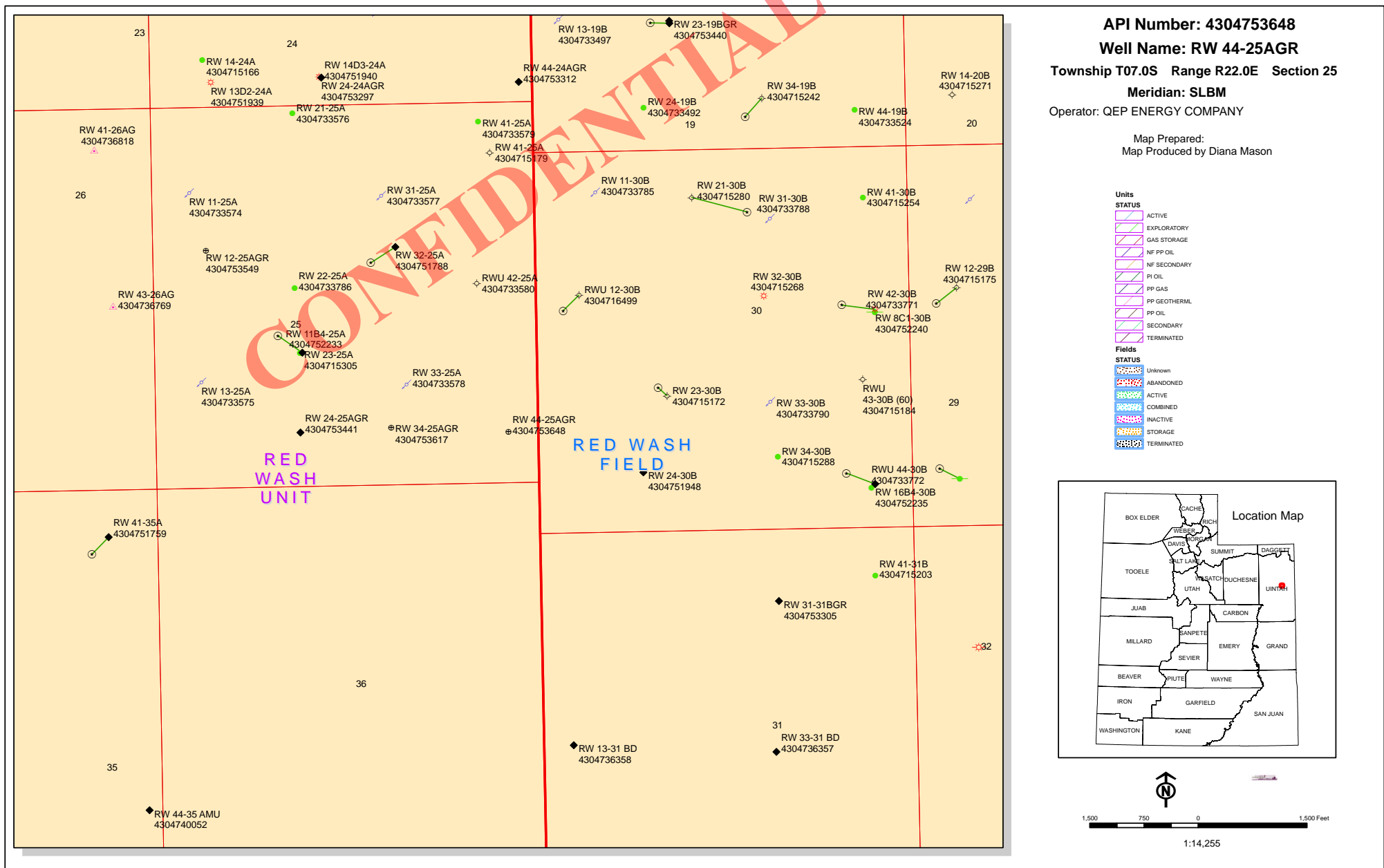
I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operations; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Jan Nelson

2/27/2013

Date



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

March 4, 2013

Memorandum

To: Assistant Field Office Manager Minerals,
Vernal Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2013 Plan of Development Red Wash Unit,
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2013 within the Red Wash Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Green River)		
43-047-53550	RW 12-26AGR	Sec 26 T07S R22E 2238 FNL 0464 FWL
43-047-53647	RW 12-14AGR	Sec 14 T07S R22E 2350 FNL 0574 FWL
43-047-53648	RW 44-25AGR	Sec 25 T07S R22E 0708 FSL 0414 FEL
43-047-53677	RW 31-20BGR	Sec 20 T07S R23E 0884 FNL 2008 FEL
(Proposed PZ MESA VERDE)		
43-047-53655	RW 23-26A	Sec 26 T07S R22E 1693 FSL 1800 FWL

This office has no objection to permitting the wells at this time.

Michael L. Coulthard

Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management, ou=Branch of Minerals, email=Michael.Coulthard@blm.gov, c=US
Date: 2013.03.04 13:36:15 -0700

bcc: File - Red Wash Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:3-4-13

RECEIVED: March 04, 2013

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 2/27/2013

API NO. ASSIGNED: 43047536480000

WELL NAME: RW 44-25AGR

OPERATOR: QEP ENERGY COMPANY (N3700)

PHONE NUMBER: 435 781-4331

CONTACT: Jan Nelson

PROPOSED LOCATION: SESE 25 070S 220E

Permit Tech Review: ☒

SURFACE: 0708 FSL 0414 FEL

Engineering Review: ☐

BOTTOM: 0708 FSL 0414 FEL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 40.17720

LONGITUDE: -109.38034

UTM SURF EASTINGS: 637899.00

NORTHINGS: 4448683.00

FIELD NAME: RED WASH

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU0561

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☒ PLAT
- ☒ Bond: FEDERAL - ESB000024
- ☐ Potash
- ☐ Oil Shale 190-5
- ☐ Oil Shale 190-3
- ☐ Oil Shale 190-13
- ☒ Water Permit: 49-251/49-2153
- ☐ RDCC Review:
- ☐ Fee Surface Agreement
- ☐ Intent to Commingle

Commingle Approved

LOCATION AND SITING:

- ☐ R649-2-3.
- Unit: RED WASH
- ☐ R649-3-2. General
- ☐ R649-3-3. Exception
- ☒ Drilling Unit
- Board Cause No: Cause 187-07
- Effective Date: 9/18/2001
- Siting: Suspends General Siting
- ☐ R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason

RECEIVED: March 04, 2013



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: RW 44-25AGR

API Well Number: 43047536480000

Lease Number: UTU0561

Surface Owner: FEDERAL

Approval Date: 3/4/2013

Issued to:

QEP ENERGY COMPANY, 11002 East 17500 South, Vernal, Ut 84078

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 187-07. The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at <http://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

A handwritten signature in black ink, appearing to read "J. Rogers", written over a horizontal line.

For John Rogers
Associate Director, Oil & Gas

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 01 2013

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM

5. Lease Serial No.
UTU0561

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
8900076108. Lease Name and Well No.
RW 44-25AGR

9. API Well No.

43047 53648

10. Field and Pool, or Exploratory
RED WASH11. Sec., T., R., M., or Blk. and Survey or Area
Sec 25 T7S R22E Mer SLB12. County or Parish
UINTAH13. State
UT17. Spacing Unit dedicated to this well
40.0020. BLM/BIA Bond No. on file
ESB00002423. Estimated duration
7 DAYS

RECEIVED

SEP 20 2013

CONFIDENTIAL

1a. Type of Work: ☒ DRILL ☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone2. Name of Operator
QEP ENERGY COMPANYContact: JAN NELSON
E-Mail: jan.nelson@qepres.com3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 840783b. Phone No. (include area code)
Ph: 435-781-4331
Fx: 435-781-4395

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface SESE 708FSL 414FEL 40.177183 N Lat, 109.380361 W Lon

At proposed prod. zone SESE 708FSL 414FEL 40.177183 N Lat, 109.380361 W Lon

14. Distance in miles and direction from nearest town or post office*
26 MILES SOUTH OF VERNAL, UT15. Distance from proposed location to nearest property or
lease line, ft. (Also to nearest drig. unit line, if any)
41416. No. of Acres in Lease
1920.0018. Distance from proposed location to nearest well, drilling,
completed, applied for, on this lease, ft.
155619. Proposed Depth
6274 MD21. Elevations (Show whether DF, KB, RT, GL, etc.)
5508 GL22. Approximate date work will start
06/01/2013

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

DIV. OF OIL, GAS & MINING

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature
(Electronic Submission)Name (Printed/Typed)
JAN NELSON Ph: 435-781-4331Date
02/27/2013Title
PERMIT AGENT

Approved by (Signature)

Name (Printed/Typed)

Jerry Kenczka

Date SEP 16 2013

Title
Assistant Field Manager
Lands & Mineral ResourcesOffice
VERNAL FIELD OFFICEApplication approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #200042 verified by the BLM Well Information System
For QEP ENERGY COMPANY, sent to the Vernal
Committed to AFMSS for processing by JOHNETTA MAGEE on 03/06/2013 ()

NOTICE OF APPROVAL

UDOGM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

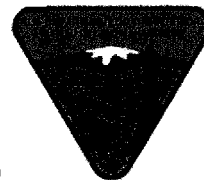


UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: QEP ENERGY COMPANY
Well No: RW 44-25AGR
API No: 43-047-53648

Location: SENE, Sec. 25, T7S, R22E
Lease No: UTU-0561
Agreement:

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- QEP Energy Company's proposal to 19 oil wells: RW 11-27 AGR, RW 12-14 AGR, RW 12-25 AGR, RW 12-26 AGR, RW 13-17 BGR, RW 13-26 AGR, RW 14-25 AGR, RW 23-19 BGR, RW 24-13 AGR, RW 24-14 AGR, RW 24-25 AGR, RW 31-20 BGR, RW 31-24 AGR, RW 34-25 AGR, RW 42-25 AGR, RW 43-20 BGR, RW 43-27 AGR, RW 44-25 AGR, RW 44-29 BGR. Sections 13, 14, 23, 24, 25, 26, and 27, T. 7 S., R. 22 E., and Sections 17, 19, 20, 28, 29, T. 7 S., R. 23 E, Uintah County, Utah. The project area is located approximately 25 miles south of Vernal, Utah.
- The construction of the wells and access roads will result in approximately 75.56 acres of new surface disturbance.
- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horse power must not emit more than 2 grams of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower-hour.
- All new and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 grams of NO_x per horsepower-hour.
- Green completions would be used for all well completion activities where technically feasible.
- Employ enhanced VOC emission controls with 95% control efficiency on production equipment having a potential to emit greater than 5 tons per year.
- The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. The reserve pits for the wells will be lined with a 16 ml liner with felt.
- A dike will be constructed around those production facilities that contain fluids. The dikes will be constructed of compacted subsoil. They will be impervious, hold 10 percent more than the capacity of the largest tank, and be independent of the back cut.
- All permanent (meaning on site for six months or longer) structures will be painted Covert Green to match the surrounding landscape color unless otherwise authorized. This will include all facilities except those required to comply with Occupational Safety and Health Act (OSHA) regulations.
- If dry, the wells will be plugged and abandoned as per BLM and State of Utah requirements.

- Prior to construction, an invasive plants/noxious weeds inventory will be completed for all areas where surface disturbance will occur. A completed Weed Inventory form documenting any occurrences of invasive plants or noxious weeds will be submitted to the BLM Authorized Officer before surface disturbance will occur.
- All vehicles and equipment would be cleaned either through power-washing, or other approved method, if the vehicles or equipment are brought in from areas outside the Uinta Basin, to prevent weed seed introduction.
- The operator will control noxious/invasive weeds along their roads, pipelines, well sites, or other applicable facilities by the application of herbicides or by mechanical removal until reclamation is considered to be successful by the authorized officer (AO) and the bond for the well is released. A list of noxious weeds will be obtained from the BLM or the appropriate county extension office. On BLM-administered land, the operator will submit a Pesticide Use Proposal and obtain approval prior to the application of herbicides, other pesticides, or possible hazardous chemicals.
- Immediately upon well completion, the location and surrounding area shall be cleared of all unused tubing, equipment, debris, materials, and trash. Any hydrocarbons in the pit will be removed in accordance with 43 CFR 3162.7-1.
- The reserve pit and the portion of the well not needed for production facilities/operations shall be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion, or as soon as environmental conditions allow. The stockpiled pit topsoil will then be spread over the pit area and broadcast-seeded/drill seeded (preferred method) with a seed mix submitted to the BLM Authorized Officer (AO) for approval prior to seeding. Seeding will be done in the fall prior to winter freezing of the soil. The seed mixture shall be worked into the topsoil with a drill seeder, bulldozer or other heavy equipment. If initial seeding is not successful, reseeding may be required.
- Once the well is plugged and facilities are removed and abandoned, the topsoil shall be stripped and stockpiled off of the location, and the well site, pipelines, and access roads will be returned to natural contours. The topsoil shall be respread, and the location seeded with the mixture submitted to the BLM AO. The seed mixture shall be worked into the topsoil with a drill seeder, bulldozer or other heavy equipment.
- Interim reclamation, final reclamation, and monitoring of reclaimed areas will be completed in accordance with the QEP Energy Company, Uinta Basin Division's Reclamation Plan, September 2009 on file with the Vernal Field Office of the BLM.
- Prior to any surface disturbance, vegetative monitoring locations and reference sites will be identified by QEP and approved by the BLM AO. Vegetation monitoring protocol will be developed by QEP and approved by the BLM AO prior to implementation of revegetation techniques and will be designed to monitor % basal vegetative cover.
- Revegetated areas will be inspected annually and monitored to document location and extent of areas with successful revegetation, and areas needing further reclamation (for a period of 5 years after construction completion). A reclamation report will be submitted to the AO by March 31 of each year.
- QEP has agreed not to construct or drill during the following dates, unless otherwise determined by the BLM Authorized Officer.

Raptor nesting timing restriction

Well Name	Burrowing Owl March 1 to August 31	Red Tailed Hawk March 1 to August 15	Great Horned Owl December 1 to September 31	Ferruginous Hawk March 1 to August 31	Golden Eagle January 1 to August 31
RW 11-27 AGR	Yes	No	No	No	No
RW 12-14 AGR	No	Yes	Yes	No	No
RW 12-25 AGR	Yes	No	No	No	No
RW 12-26 AGR	No	No	No	Yes	No
RW 13-17 BGR	No	No	No	No	No
RW 13-26 AGR	No	No	No	Yes	No
RW 14-25 AGR	No	No	No	No	No
RW 23-19 BGR	No	No	No	No	No
RW 24-13 AGR	No	Yes	No	No	No
RW 24-14 AGR	No	Yes	No	No	Yes
RW 24-25 AGR	Yes	No	No	No	No
RW 31-20 BGR	Yes	No	No	No	No
RW 31-24 AGR	No	No	No	No	No
RW 34-25 AGR	Yes	No	No	No	No
RW 42-25 AGR	No	No	No	No	No
RW 43-20 BGR	No	No	No	No	No
RW 43-27 AGR	Yes	No	No	Yes	No
RW 44-25 AGR	Yes	No	No	No	No
RW 44-29 BGR	No	No	No	Yes	No

Yes indicates that drilling or construction would not commence during this time period unless approved by the BLM authorized officer.

- QEP will educate its contractors and employees about the relevant federal regulations intended to protect paleontological and cultural resources. All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to areas cleared by the site inventory and

to existing roads. If any potential paleontological or cultural resources are uncovered during construction, work will stop immediately in the area and the appropriate BLM AO will be notified.

- A paleontological survey was conducted on all areas where surface disturbance would occur Table 2-2 indicates where and when a paleontologist would be required to monitor surface disturbing activity.

Table 2-2 Paleontological Resources Survey Results.

Well Name	BLM Authorized Permitted Paleontologist Would Monitor the Access Road.	BLM Authorized Permitted Paleontologist Would Monitor the Pipe Line.	BLM Authorized Permitted Paleontologist Would Monitor the Well Pad.	BLM Authorized Permitted Paleontologist Would Monitor for the Power Line.
RW 11-27 AGR	No	No	No	NA
RW 12-14 AGR	Yes	Yes	Yes	NA
RW 12-25 AGR	No	No	No	No
RW 12-26 AGR	No	No	No	No
RW 13-17 BGR	Yes	Yes	Yes	Yes
RW 13-26 AGR	No	No	No	No
RW 14-25 AGR	No	No	No	No
RW 23-19 BGR	No	No	No	No
RW 24-13 AGR	No	Yes	No	No
RW 24-14 AGR	No	No	No	No
RW 24-25 AGR	No	No	No	No
RW 31-20 BGR	No	No	No	No
RW 31-24 AGR	No	No	No	No
RW 34-25 AGR	No	No	No	No
RW 42-25 AGR	No	No	No	No
RW 43-20 BGR	No	No	No	No
RW 43-27 AGR	No	No	No	No
RW 44-25 AGR	Yes	Yes	Yes	Yes
RW 44-29 BGR	No	No	No	No

Yes indicates that QEP would provide a BLM Authorized Permitted Paleontologist to monitor the construction process for the access road, pipe line, well pad, or power line.

•

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- Cement for the production casing shall be brought up to a minimum of 200` feet above the surface casing shoe.
- A CBL shall be run from TD to TOC in the Production Casing.
- Variances shall be granted as requested in Section 6 of the Drilling Program.
- Gamma Ray Log shall be run from Total Depth to the Surface.
- Cement sample shall be caught and tested for the lead and tail cement for the surface and production casing.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well by CD (compact disc). This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid,

and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted By
David Reid Phone Number 435-828-0315
Well Name/Number RW 44-25AGR
Qtr/Qtr SESE Section 25 Township 7S Range 22E
Lease Serial Number UTU0561
API Number 43-047-53648

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 10/09/2013 08:00 AM ☐ PM ☐

Casing – Please report time casing run starts, not cementing times.

- ☐ Surface Casing
- ☐ Intermediate Casing
- ☐ Production Casing
- ☐ Liner
- ☐ Other

Date/Time _____ AM ☐ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
- ☐ BOPE test at intermediate casing point
- ☐ 30 day BOPE test
- ☐ Other

Date/Time _____ AM ☐ PM ☐

Remarks We will be drilling and setting 40 ft of 14" conductor
WEDNESDAY 10/09/2013 around 8:00 am

RECEIVED
OCT 08 2013
DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0561
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: QEP ENERGY COMPANY		7. UNIT or CA AGREEMENT NAME: RED WASH
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078		8. WELL NAME and NUMBER: RW 44-25AGR
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0708 FSL 0414 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 25 Township: 07.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047536480000
9. FIELD and POOL or WILDCAT: RED WASH		COUNTY: UINTAH
STATE: UTAH		
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 10/9/2013	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. ON 10/9/2013- QEP ENERGY COMPANY SET 40' OF 14" CONDUCTOR PIPE AND CEMENTED WITH READY MIX.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 17, 2013		
NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A	DATE 10/10/2013	

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted By
David Reid Phone Number 435-828-0315
Well Name/Number RW 44-25AGR
Qtr/Qtr SESE Section 25 Township 7S Range 22E
Lease Serial Number UTU0561
API Number 43-047-53648

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 10/09/2013 08:00 AM ☐ PM ☐

Casing – Please report time casing run starts, not cementing times.

- ☐ Surface Casing
- ☐ Intermediate Casing
- ☐ Production Casing
- ☐ Liner
- ☐ Other

Date/Time 10/12/2013 09:00 AM ☐ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
- ☐ BOPE test at intermediate casing point
- ☐ 30 day BOPE test
- ☐ Other

RECEIVED

OCT 09 2013

DIV. OF OIL, GAS & MINING

Date/Time _____ AM ☐ PM ☐

Remarks We will be drilling and setting 500' of 9 5/8" casing on Saturday 10/12/2013 around 9:00 am

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator QEP Rig Name/# SST 54 Submitted By
David Reid Phone Number 435-828-0315
Well Name/Number RW 44-25AGR
Qtr/Qtr SESE Section 25 Township 7S Range 22E
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- ☐ Production Casing
- ☐ Liner
- ☐ Other

Date/Time 10/12/2013 09:00 AM ☐ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
- ☐ BOPE test at intermediate casing point
- ☐ 30 day BOPE test
- ☐ Other

RECEIVED

OCT 09 2013

DIV. OF OIL, GAS & MINING

Date/Time _____ AM ☐ PM ☐

Remarks We will be drilling and setting 500' of 9 5/8" casing on Saturday 10/12/2013 around 9:00 am

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David Reid Phone Number 435-828-0315
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Date/Time 10/12/2013 09:00 AM ☐ PM ☐

BOPE

- ☒ Initial BOPE test at surface casing point
- ☐ BOPE test at intermediate casing point
- ☐ 30 day BOPE test
- ☐ Other

RECEIVED

NOV 02 2013

DIV. OF OIL, GAS & MINING

Date/Time 11/02/2013 10:00 AM ☐ PM ☐

Remarks We will be testing bop's after rigging up sst #54 on
saturday 11/02/2013 around 10:00 hrs pm

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0561
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: RED WASH
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: RW 44-25AGR
2. NAME OF OPERATOR: QEP ENERGY COMPANY		9. API NUMBER: 43047536480000
3. ADDRESS OF OPERATOR: 11002 East 17500 South, Vernal, Ut, 84078		9. FIELD and POOL or WILDCAT: RED WASH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0708 FSL 0414 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 25 Township: 07.0S Range: 22.0E Meridian: S		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text"/>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/16/2013			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THIS WELL COMMENCED PRODUCTION ON DECEMBER 16, 2013 @ 6:00 P.M.

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 December 17, 2013

NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst
SIGNATURE N/A		DATE 12/17/2013

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGAMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____						5. LEASE DESIGNATION AND SERIAL NUMBER: UTU0561			
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____						6. IF INDIAN, ALLOTTEE OR TRIBE NAME			
2. NAME OF OPERATOR: QEP ENERGY COMPANY						7. UNIT or CA AGREEMENT NAME RED WASH			
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078				PHONE NUMBER: (435) 781-4320		8. WELL NAME and NUMBER: RW 44-25AGR			
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: SESE, 708' FSL, 414' FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: SESE, 708' FSL, 414' FEL AT TOTAL DEPTH: SESE, 708' FSL, 414' FEL						9. API NUMBER: 4304753648			
10. FIELD AND POOL, OR WILDCAT RED WASH						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 25 7S 22E			
12. COUNTY UINTAH						13. STATE UTAH			
14. DATE SPUDDED: 10/9/2013		15. DATE T.D. REACHED: 11/6/2013		16. DATE COMPLETED: 12/16/2013		17. ELEVATIONS (DF, RKB, RT, GL): 5508' GL			
18. TOTAL DEPTH: MD 6,465 TVD 6,464		19. PLUG BACK T.D.: MD TVD		20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD			
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) TRIPLE COMBO, CBL				23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)					
24. CASING AND LINER RECORD (Report all strings set in well)									
HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12.25	9.625 J-55	36	0	524		300	90	310	
8.75	5.5 L-80	17	0	6,455		1,615	563		
25. TUBING RECORD									
SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2.875	6,326								
26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) GREEN RIVER	6,222	6,230			6,222 6,230	.42	33	Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.									
DEPTH INTERVAL		AMOUNT AND TYPE OF MATERIAL							
6,222 - 6,230		NONE							
29. ENCLOSED ATTACHMENTS:									
30. WELL STATUS:									
POW									

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 12/16/2013		TEST DATE: 12/23/2013		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 49		GAS – MCF: 8		WATER – BBL: 42		PROD. METHOD: EPU	
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 49	GAS – MCF: 8	WATER – BBL: 42	INTERVAL STATUS:					

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

USED ON LEASE

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				GREEN RIVER MAHOGANY MARKER	3,058 3,991

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) BENNA MUTH

TITLE REGULATORY ASSISTANT - CONTRACT

SIGNATURE

Benna Muth

DATE 1/6/2014

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940



QEP Energy Company

Daily Activity and Cost Summary

Well Name: RW 44-25AGR

API 43-047-53648	Surface Legal Location S25-T7S-R22E	Field Name RED WASH	County UINTAH	State UTAH	Well Configuration Type Vertical
Unique Well ID UT08816653	Ground Elevation (ft) 5,506.4	Casing Flange Elevation (ft) 5,506.40	Current KB to GL (ft) 22.80	KB to CF (ft) 22.80	Spud Date 10/9/2013 08:00
Job Category DRILLING	Primary Job Type DRILLING	Secondary Job Type DEVELOPMENT	Objective		
Start Date 10/9/2013			Job End Date 11/12/2013		
Purpose					
Summary					
Contractor Pete Martin Drilling		RIG PETE MARTIN 1	Rig Type AUGER RIG		
Contractor Pro Petro		RIG AIR 8	Rig Type AIR RIG		
Contractor SST Energy		RIG SST 54	Rig Type ROTARY RIG		
DOL	Start Date	Summary			
1	10/8/2013	PRE SPUD COSTS			
2	10/9/2013				
3	10/11/2013	MIRU, DRILL 12 1/4" HOLE RTO 510', RUN 9 5/8" CASING T/501' AND CEMENT. RDMO			
4	10/31/2013	RIG DOWN TOP DRIVE AND FLOOR, READY DERRICK AND LAY OVER. SET MATS AND MUD TANKS ON NEW LOCATION.			
5	11/1/2013	FINISH RIGGING DOWN ON OLD LOCATION, SET BACK YARD ON NEW LOCATION. MOVE HOUSES			
6	11/2/2013	RIG UP AND SET DERRICK, RIG UP TOP DRIVE, MUD LINES, FLOOR, STEAM, WINDWALLS, CLEAR LAST PAD OF LOADS, WATER TANKS, TEST BOP'S			
7	11/3/2013	CUT DRILLING LINE, PICK UP BHA, RUN IN TO SHOE, DRILL OUT FLOAT EQUIP, FIT TEST TO 45 NO GOOD, DRILL F/ 532 TO 2926', 2394', 15.5 HRS, 154.45 FPH, REPAIR RIG, (MUD LINE GASKET),			
8	11/4/2013	DRILL, SHORT TRIP, RIG SERVICE, SURVEYS AND CONNECTIONS			
9	11/5/2013	DRILL, SHORT TRIP/ 4543-3116' // BACK REAM 3635- 3490' // SERVICE RIG, SURVEYS			
10	11/6/2013	DRILL, CIRC B/U, SHORT TRIP, 6465' TO 3200', BACK REAM 3610' TO 3326', CIRC B/U AND MUD UP, POOH STRAP OUT			
11	11/7/2013	POOH, PULL WEAR BUSHING, PICK UP LOGGING TOOLS, RIH, WASH 170' TO BOTTOM, PUMP DART DEPLOY TOOLS, CIRC WHILE RIGGING UP LAYDOWN TRUCK, POOH, LOGGING AND LAYING DOWN DRILL PIPE, LAY DOWN LOGGING TOOLS, RIG UP CASERS, RUN CSG			
12	11/8/2013	RUN CSG, WASH TO BOTTOM, CIRC, CMT CSG, SET PACK OFF, NIPPLE DOWN, CLEAN PITS RIG RELEASED @ 06:00 HRS 11/9/2013			
13	11/9/2013	RIG DOWN FLOOR AND TOP DRIVE, PREPARE RIG FOR STACK OUT. CLEAN ON RIG. LOAD OUT RENTAL EQUIPMENT			
14	11/10/2013	READY DERRICK AND LAY OVER, START SETTING OUT MUD TANKS,			
15	11/11/2013	TAKE DERRICK OFF FLOOR AND TEAR DOWN, LOAD OUT BACK YARD AND SET DRAWWORKS OFF FLOOR			
16	11/12/2013	FINISH RIGGING DOWN AND HAULING RIG OFF LOCATION. RIG MOVE WENT ONTO ANADARKO @ 10:00 HRS 11/12/2013			